

# **FISCAL NOTE**

## **HB 126 - SB 790**

March 4, 2005

**SUMMARY OF BILL:** Appropriates a sum sufficient to provide a salary increase of \$1,200 for each employee of the University of Tennessee system (UT) and the Tennessee Board of Regents system (TBR) for fiscal year 2005-06.

### **ESTIMATED FISCAL IMPACT:**

#### **Increase State Expenditures – \$31,200,000**

##### Assumptions:

- Salary increase of \$1,200 applies to state-funded positions. Positions funded by other sources are not included.
- Approximately 12,500 employees in the UT system.
- The proposed salary increase for all UT system employees would result in an increase of state expenditures estimated at \$15.0 million (12,500 employees X \$1,200 increase = \$15.0 million) per year.
- There are approximately 13,500 employees in the TBR system.
- The proposed salary increase for all TBR system employees would result in an increase of state expenditures estimated at \$16.2 million (13,500 employees X \$1,200 increase = \$16,200,000) per year.
- Total increase to state expenditures is estimated at \$31.2 million (\$15.0 million for UT system employees + \$16.2 million for TBR system employees = \$31.2 million) per year.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director